

KEYSPAN ENERGY DELIVERY NEW ENGLAND
D.T.E. 05-68

FIRST SET OF INFORMATION REQUESTS OF THE
ATTORNEY GENERAL TO
KEYSPAN ENERGY DELIVERY NEW ENGLAND

AG 1-3

Date: March 9, 2006

Respondent: Elizabeth D. Arangio

- Q. For the period beginning with 2002 to present, please provide the Company's monthly (1) Enron capacity costs, (2) Enron capacity related costs, (3) revenues from release or sale of this capacity, and (4) volumes of gas that the Company received through its own use of the capacity to deliver supplies to the Company's customers. Please provide the Company's load factor.
- A. Please see the response to Information Request AG 1-1. Specifically, Attachment AG 1-1 is a letter dated April 1, 2003 explaining how the Company manages its Iroquois and Tennessee capacity, which was released to Enron in 1997 and later returned prior to the end of the contract term (in 2002) because of the Enron bankruptcy proceeding. The Company has pursued its contract claims against Enron in the bankruptcy court and, in August 2005, received a partial payment of \$319,181.13 on behalf of customers.
- Please see the Attachment AG 1-3(a) and AG 1-3(b) for the Enron capacity costs and the Enron capacity-related costs, respectively. Although the capacity was released to MLCI under the Company's existing outsourcing arrangement, the Company secured a wintertime baseload supply of 10,000 MMBtu/day to feed the capacity path for the time period November 2004 through March 2005. For the time period November 2005 through March 2006, the Company secured a wintertime baseload supply of 15,000 MMBtu/day to feed the capacity path. The Company elected to make these baseload purchases in order to stabilize the price the customers would pay for supply delivered on that path.